MEMORANDUM

From: Commanding Officer, Naval Research Laboratory

To: All Hands

Subj: APPROVAL OF THE NRL PERSONNEL MANAGEMENT DEMONSTRATION

PROJECT

Ref: (a) NRL ltr 12470 Ser 1800/001 of 16 Feb 99

- 1. I am pleased to announce that the NRL Personnel Management Demonstration Project received its final approval on 18 June 1999. The date of implementation has been set for 26 September 1999. This is a major milestone accomplishment for the Laboratory. For years, we have needed a more flexible, responsive personnel system that would assist the Laboratory in its efforts to attract, retain, and motivate the highest quality workforce possible. While this Demonstration Project doesn't go as far as we might have desired in this regard, it is a major step in the right direction. I am confident that you will agree and will work with us to make this Project a success.
- 2. My previous letter, reference (a), announced the publication of the NRL Demonstration Project Proposal in our first Federal Register Notice. It also mentioned that this notice solicited final input on the project for consideration by its designers and approval authorities. All comments received on the Project were reviewed and considered; appropriate changes were made; and Department of the Navy, Department of Defense, and Office of Personnel Management approval of the final plan was obtained. The final plan was published in the Federal Register (Volume 64, Part III) and congressional notification was made on 24 June 1999. Implementation of the Project can begin 90 days after the date of congressional notification. The selected implementation date, 26 September 1999, is the beginning of the first pay period following the 90-day hiatus period.
- 3. Initially, the demonstration project will cover all NRL employees except Senior Executive Service (SES) members, scientific and professional (ST) employees (above GS-15), guards, and trade and craft employees. The guards and trade and craft employees may be included at a later time, after more experience is gained in the operation of the Contribution-based Compensation System and following all required discussion with bargaining units. All employees to be included in the Project will receive a letter the first part of September providing them information on their position when converted into the Demonstration Project. This correspondence will be followed by a Notification of Personnel Action, Standard Form 50 (SF-50). The SF-50 is the official document prepared to convert employees into the Demonstration Project on 26 September 1999. It will contain the position as well as salary (including any Within-grade Increase Buyin) information.

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- 4. On 30 September 1999, the 1998-1999 Contribution-based Compensation System (CCS) assessment cycle will close. Since the Demonstration Project will be implemented prior to the close of this cycle, NRL will use the 1998-1999 CCS appraisal results to make compensation decisions using the Project's pay adjustment process. These pay decisions would be effective the beginning of the first pay period in January 2000. The various types of pay determinations included in this process are career level promotions, merit increases, General Increases, contribution cash awards, contribution time off awards, and Distinguished Contributions Allowances.
- 5. If you would like more details on the Demonstration Project, you may review, obtain a copy of, or request specific information on the final Federal Register Notice by contacting the NRL web site at http://amp.nrl.navy.mil/hr-demo. In addition, the web site contains a training video which provides an overview of the NRL Demonstration Project. If you do not have access to the web, your division Administrative Officer will have a supply of hard copies of the final Federal Register Notice as well as a VHS copy of the training video. Further information may also be obtained by contacting Mrs. Betty A. Duffield, Demonstration Project Manager, on (202) 767-3421 or (DSN 297-3421) or at bduffiel@hro1.nrl.navy.mil.
- 6. Unfortunately I will not be here for the implementation of the Project. However, I know that both Captain Rau, my relief, and Dr. Coffey will work with you to make this Demonstration Project a success for NRL.

B. W. BUCKLEY